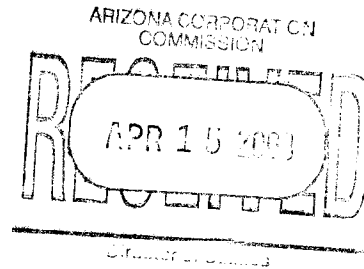


ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

B

W-02015A
Beaver Valley Water Company, Inc.
P. O. Box 421
Payson AZ 855470000



ANNUAL REPORT

*Entered
4/30/03
Cym.*

FOR YEAR ENDING

12	31	2002
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FOR COMMISSION USE

ANN 04	02
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OK

COMPANY INFORMATION

Company Name (Business Name) <u>BEAVER VALLEY WATER COMPANY</u>		
Mailing Address <u>P. O. BOX 421</u>		
(Street)		
<u>PAYSON,</u>	<u>ARIZONA</u>	<u>85547</u>
(City)	(State)	(Zip)
<u>928-474-5759</u>	<u>SAME</u>	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address <u>bvwater@cybertrails.com</u>		
Local Office Mailing Address <u>P. O. BOX 421</u>		
(Street)		
<u>PAYSON</u>	<u>ARIZ.</u>	<u>85547</u>
(City)	(State)	(Zip)
<u>928-474-5759</u>	<u>SAME</u>	
Local Office Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address <u>BVWATER@cybertrails.com</u>		

MANAGEMENT INFORMATION

Management Contact: <u>MICHAEL DAVOREN</u>		<u>OWNER</u>
(Name)		(Title)
<u>P. O. BOX 421</u>	<u>PAYSON, AZ.</u>	<u>85547</u>
(Street)	(City)	(State) (Zip)
<u>928-474-5759</u>	<u>SAME</u>	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address <u>bvwater @cybertrails.com</u>		
On Site Manager: <u>MICHAEL DAVOREN</u>		
(Name)		
<u>P.O. BOX 421</u>	<u>PAYSON, AZ.</u>	<u>85547</u>
(Street)	(City)	(State) (Zip)
<u>928-474-5759</u>	<u>same</u>	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address <u>bvwater@cybertrails.com</u>		

Statutory Agent: E. M. DELANEY

(Name)

2323 N CENTRAL AVE,
(Street)

PHOENIX
(City)

AX. 85012
(State) (Zip)

602-997-4952

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: E. M. DELANEY

(Name)

2323 N. CENTRAL AVE
(Street)

PHOENIX
(City)

AZ. 85012
(State) (Zip)

602-997-4952

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☒ **Sole Proprietor (S)**

☐ **C Corporation (C) (Other than Association/Co-op)**

☐ **Partnership (P)**

☐ **Subchapter S Corporation (Z)**

☐ **Bankruptcy (B)**

☐ **Association/Co op (A)**

☐ **Receivership (R)**

☐ **Limited Liability Company**

☐ **Other (Describe)** _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ **APACHE**

☐ **COCHISE**

☐ **COCONINO**

☒ **GILA**

☐ **GRAHAM**

☐ **GREENLEE**

☐ **LA PAZ**

☐ **MARICOPA**

☐ **MOHAVE**

☐ **NAVAJO**

☐ **PIMA**

☐ **PINAL**

☐ **SANTA CRUZ**

☐ **YAVAPAI**

☐ **YUMA**

☐ **STATEWIDE**

COMPANY NAME

BEAVER VALLEY WATER COMPANY

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	-0-	-0-	-0-
302	Franchises	-0-	-0-	-0-
303	Land and Land Rights	400	-0-	400
304	Structures and Improvements	4,378.	4,378.	-0-
307	Wells and Springs	990	990	-0-
311	Pumping Equipment	6,589	6,589.	-0-
320	Water Treatment Equipment	27,000	14,971.	12,029
330	Distribution Reservoirs and Standpipes	15,951	15,951	-0-
331	Transmission and Distribution Mains	76,558	76,558	-0-
333	Services	7,382.	7,382	-0-
334	Meters and Meter Installations	7,138	4,969	2,169
335	Hydrants	280	280	-0-
336	Backflow Prevention Devices	-0-	-0-	-0-
339	Other Plant and Misc. Equipment	-0-	-0-	-0-
340	Office Furniture and Equipment	133	133	-0-
341	Transportation Equipment	26,020	15,953 14,652	10,067 11,368
343	Tools, Shop and Garage Equipment	-0-	-0-	-0-
344	Laboratory Equipment	-0-	-0-	-0-
345	Power Operated Equipment	25,407	25,043	364
346	Communication Equipment	-0-	-0-	-0-
347	Miscellaneous Equipment	-0-	-0-	-0-
348	Other Tangible Plant	-0-	-0-	-0-
	TOTALS	198,226	173,287 171,986	25,039 26,240

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

BEAVER VALLEY WATER COMPANY

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	-0-	-0-	-0-
302	Franchises	-0-	-0-	-0-
303	Land and Land Rights	400	-0-	-0-
304	Structures and Improvements	4,378.	.05	219
307	Wells and Springs	990	.05	50
311	Pumping Equipment	6,589.	.05	329
320	Water Treatment Equipment	27,000.	.05	1,350.
330	Distribution Reservoirs and Standpipes	15,951.	.05	798.
331	Transmission and Distribution Mains	76,558	.05	3,828.
333	Services	7,382.	.05	369.
334	Meters and Meter Installations	7,138.	.05	357.
335	Hydrants	280	.05	14.
336	Backflow Prevention Devices	-0-	-0-	-0-
339	Other Plant and Misc. Equipment	-0-	-0-	-0-
340	Office Furniture and Equipment	133	.05	.07
341	Transportation Equipment	26,020.	.05	1,301
343	Tools, Shop and Garage Equipment	-0-	-0-	-0-
344	Laboratory Equipment	-0-	-0-	-0-
345	Power Operated Equipment	25,407.	.05	1,271.
346	Communication Equipment	-0-	-0-	-0-
347	Miscellaneous Equipment	-0-	-0-	-0-
348	Other Tangible Plant	-0-	-0-	-0-
	TOTALS	198,226.		9,886. 24,665.

This amount goes on Comparative Statement of Income and Expense
Acct. No. 403.

BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 12,431.87	\$ 6,753.51
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	1,050.92	1,617.03
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 13,482.79	\$ 8,370.54
	FIXED ASSETS		
101	Utility Plant in Service	\$ 210,254	\$ 198,226.
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	156,774.	173,287.
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 53,480.	\$ 24,939.
	TOTAL ASSETS	\$ 66,963.	\$ 33,309.

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 13,913.	\$ 14,186.30
232	Notes Payable (Current Portion)	7,500.	
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes	1,651.	1,651.
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 23,064.	\$ 15,837.30
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$	\$
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	TOTAL LIABILITIES	\$	\$
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings		
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$	\$
	TOTAL LIABILITIES AND CAPITAL	\$ 23,064.	\$ 15,837.30

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 40,876.68	\$ 41,005.76
460	Unmetered Water Revenue	-0-	-0-
474	Other Water Revenues	-0-	-0-
	TOTAL REVENUES	\$ 40,876.68	\$ 41,005.76
	OPERATING EXPENSES		
601	Salaries and Wages	\$ -0-	\$ -0-
610	Purchased Water	-0-	-0-
615	Purchased Power	7,610.29	5,975.55
618	Chemicals	3,703.11	18,544.05
620	Repairs and Maintenance	17,172.45	6,622.87
621	Office Supplies and Expense	4,906.32	5,017.57
630	Outside Services	-0-	-0-
635	Water Testing	-0-	-0-
641	Rents	-0-	-0-
650	Transportation Expenses	3,384.85	4,059.08
657	Insurance – General Liability	3,237.92	1,792.00
659	Insurance - Health and Life	-0-	280.00
666	Regulatory Commission Expense – Rate Case	-0-	
675	Miscellaneous Expense	10.00	250.00
403	Depreciation Expense	9,886.00	2,608.94
408	Taxes Other Than Income	2,614.27	2,834.08
408.11	Property Taxes	1,651.68	2,834.08
409	Income Tax		55,262.
	TOTAL OPERATING EXPENSES	\$ 54,206.69	\$ 47,984.14
			14,255.00
	OPERATING INCOME/(LOSS)	\$ (13,330.01)	\$ (6,978.38)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/(EXPENSE)	\$ -0-	\$ -0-
	NET INCOME/(LOSS)	\$ (13,330.01)	\$ (14,255.00) (6,978.38)

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued NONE				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate				
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End	\$	-0-
Meter Deposits Refunded During the Test Year	\$	-0-

COMPANY NAME BEAVER VALLEY WATER COMPANY

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (Gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
63-1548		26	6		n/a	

- Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
EAST VERDE RIVER	250	-0-

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
2½	2		
2½	2		
2	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
10,000	2	5,000	1

COMPANY NAME BEAVER VALLEY WATER COMPANY

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2		
3		
4	PVC	10,560
5		
6	PVC	2,640
8		
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	
3/4	152
1	2
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

STRUCTURES:

pump house and related equipment.

OTHER:

COMPANY NAME: BEAVER VALLEY WATER COMPANY

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2002

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	147	331,000 Ga	331,000
FEBRUARY	147	327,500	327,500
MARCH	148	562,500	562,500
APRIL	150	547,500	547,500
MAY	152	801,000	801,000
JUNE	150	498,900	498,900
JULY	149	388,350	388,350
AUGUST	149	470,500	470,500
SEPTEMBER	150	478,500	478,500
OCTOBER	152	533,850	533,850
NOVEMBER	151	403,200	403,200
DECEMBER	150	268,800	268,800
TOTAL		N/A	5,611,700

Is the Water Utility located in an ADWR Active Management Area (AMA)?

() Yes (x) No

Does the Company have An ADWR Gallons Per Capita Per Day (GPCPD) requirement?

() Yes (x) No

If yes, provide the GPCPD amount: _____

What is the level of arsenic for each well on your system. N/A mg/l

(If more than one well, please list each separately)

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME BEAVER VALLEY WATER COMPANY

YEAR ENDING 12/31/2002

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2002 was: \$ 1,204.00

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

BEAVER VALLEY WATER CO. 12 55100 4754
928-474-5759
P.O. BOX 421
PAYSON, AZ 85547
DATE 10-22-02 91-504/1221 27
PAY TO THE ORDER OF Yavapai County Treasurer \$ 602.00
Six Hundred Two and no/100 DOLLARS
STOCKMEN'S BANK
Payson Branch P.O. Box 249
Payson, AZ 85547
FOR 924-41-000 (Roll # 35188)
⑈004754⑈ ⑆122105045⑆ 2701002489⑆ ⑆0000060200⑆

COMPANY NAME BEAVER VALLEY WATER COMPANY

YEAR ENDING 12/31/2002

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>-0-</u>
Estimated or Actual Federal Tax Liability	<u>-0-</u>

State Taxable Income Reported	<u>-0-</u>
Estimated or Actual State Tax Liability	<u>-0-</u>

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>-0-</u>
Amount of Gross-Up Tax Collected	<u>-0-</u>
Total Grossed-Up Contributions/Advances	<u>-0-</u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.



SIGNATURE

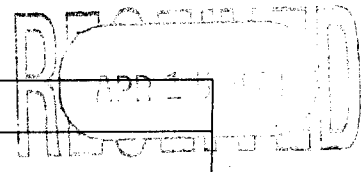
MARCH 12, 2003
DATE

MICHAEL DAVOREN
PRINTED NAME

OWNER
TITLE

**VERIFICATION
AND
SWORN STATEMENT**
Intrastate Revenues Only

ARIZONA CORPORATION
COMMISSION



VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	GILA
NAME (OWNER OR OFFICIAL) TITLE	MICHAEL DAVOREN
COMPANY NAME	BEAVER VALLEY WATER COMPANY

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2002

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2002 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)


\$ 41,005.76

(THE AMOUNT IN BOX ABOVE

INCLUDES \$ 2,834.08

IN SALES TAXES BILLED, OR COLLECTED

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**



SIGNATURE OF OWNER OR OFFICIAL
(928) 474-5759

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 13TH DAY OF

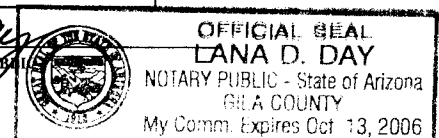
(SEAL)

MY COMMISSION EXPIRES 10/13/06

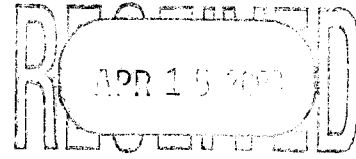
COUNTY NAME		GILA
MONTH	MARCH	2003



SIGNATURE OF NOTARY PUBLIC



**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**



Director of Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME) GILA	
NAME (OWNER OR OFFICIAL) MICHAEL DAVOREN	TITLE OWNER
COMPANY NAME BEAVER VALLEY WATER COMPANY	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION
FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2002

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2002 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 41,005.76

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 2,834.08
IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

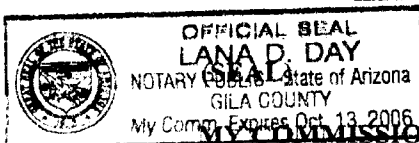
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 13TH DAY OF

NOTARY PUBLIC NAME LANA D. DAY	
COUNTY NAME GILA	
MONTH MARCH	20 03



MY COMMISSION EXPIRES 10/13/06

SIGNATURE OF NOTARY PUBLIC

TRANSACTION HISTORY

DATE	TRAN AMOUNT	SER-#	T/C	BAT/SEQ-#	DESCRIPTION	
10/24/2002	381.31		701.1	367 03910	DEPOSIT	POD-SYSTEM
10/25/2002	74.50-	4752	812.9	001 12210	CHECK	POD-SYSTEM
10/25/2002	74.00-	4755	812.9	002 48240	CHECK	POD-SYSTEM
10/25/2002	15.00-	4751	812.9	002 39420	CHECK	POD-SYSTEM
10/28/2002	132.00-	4756	811.9	368 02720	CHECK	POD-SYSTEM
10/28/2002	602.00-	4754	812.9	001 34810	CHECK	POD-SYSTEM
10/29/2002	13.05-	4753	812.9	002 03150	CHECK	POD-SYSTEM

END OF TRANSACTION LIST